**Action plan to control inflation**

1421. SHRI KALRAJ MISHRA: Will the Minister of FINANCE be pleased to state:

(a) what has been the rate of inflation month to month since April, 2004;

(b) whether Government have prepared a comprehensive action plan to keep inflation below 5 per cent in the years to come;

(c) if so, the details thereof; and

(d) the steps taken/being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Sir, the rate of inflation on a month-to-month basis since April 2004 to October, 2006 is indicated in Table below.

*Table: WPI-inflation on months average based*

| Year | Month | Inflation |
|---|---|---|
| 2004-05 | APR | 4.51 |
| | MAY | 5.02 |
| | JUN | 6.68 |
| | JUL | 7.61 |
| | AUG | 8.46 |
| | SEP | 7.92 |
| | OCT | 7.27 |
| | NOV | 7.52 |
| | DEC | 6.73 |
| | JAN | 5.54 |
| | FEB | 5.01 |
| | MAR | 5.39 |
| 2005-06 | APR | 5.91 |
| | MAY | 5.55 |
| | JUN | 4.32 |
| | JUL | 4.29 |
| | AUG | 3.66 |
| | SEP | 4.06 |

| Year | Month | Inflation |
|---|---|---|
| | OCT | 4.71 |
| | NOV | 4.21 |
| | DEC | 4.45 |
| | JAN | 4.08 |
| | FEB | 4.03 |
| | MAR | 3.85 |
| 2006-07 | APR | 3.88 |
| | MAY | 4.73 |
| | JUN | 5.12 |
| | JUL | 4.83 |
| | AUG | 5.12 |
| | SEP | 4.92* |
| | OCT | 5.26* |

*Provisional.

(b) to (d) It has been the continuous effort of the Government to keep inflation under check. Accordingly, various measures have been taken recently in this direction. These include strict fiscal and monetary discipline, lowering of duties, effective management of supply and demand of essential commodities through import, strengthening of the public distribution system and curbing of export of certain commodities.

**Unfair revision of rates on loans**

1422. SHRI KALRAJ MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that most of the borrowers including home lone borrowers from Banks including the Public Sector Bank, having contracted loans at friendly rates lately found themselves in for a rude shock when the rates were of inscape clause in the loan agreement that allow them to revise the rates even in case of fixed rate loan; and

(b) if so, whether Reserve Bank of India has intervened to give just and fair terms to the borrowers, if so, the steps taken by RBI in this regards?

(THE MINISTER OF STATE IN THE MINISTRY OF FINANCE( SHRI PAWAN KUMAR BANSAL): (a) and (b) Reserve Bank of India (RBI) has deregulated the interest rates on advances above Rs. 2 lakh *w.e.f.* October 18, 1994, and accordingly, the rate of interest on advances above Rs. 2 lakh are determined by the banks themselves. In order to enhance transparency